



News Release

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For Immediate Release
January 28, 2014

North Carolina's December Employment Figures Released

RALEIGH — The state's seasonally adjusted December unemployment rate was 6.9 percent, decreasing 0.5 of a percentage point from November's revised rate of 7.4 percent. The national rate decreased to 6.7 percent from November's 7.0 percent.

North Carolina's December 2013 unemployment rate was 2.5 percentage points lower than a year ago. The number of people employed increased 19,217 over the month to 4,333,615, and increased 13,414 over the year. The number of people unemployed decreased 21,097 over the month to 322,689, and declined 124,344 over the year.

Seasonally adjusted Total Nonfarm industry employment, as gathered through the monthly establishment survey, increased 11,100 to 4,096,800 in December. The major industry with the largest over-the-month increase was Trade, Transportation & Utilities at 4,500, followed by Other Services, 2,100; Financial Activities, 1,900; Education & Health Services, 1,500; Manufacturing, 700; Government, 500; Information, 300; Leisure & Hospitality Services, 200; and Mining & Logging, 100. Major industries to experience decreases were Construction, 500; and Professional & Business Services, 200.

Seasonally Adjusted Unemployment Rates Since December 2012

	<i>Dec. 2012</i>	<i>Jan. 2013</i>	<i>Feb. 2013</i>	<i>Mar. 2013</i>	<i>Apr. 2013</i>	<i>May 2013</i>	<i>June 2013</i>	<i>July 2013</i>	<i>Aug. 2013</i>	<i>Sept. 2013</i>	<i>Oct. 2013</i>	<i>Nov. 2013</i>	<i>Dec. 2013</i>
<i>N.C.</i>	<i>9.4</i>	<i>9.5</i>	<i>9.4</i>	<i>9.2</i>	<i>8.9</i>	<i>8.8</i>	<i>8.8</i>	<i>8.9</i>	<i>8.7</i>	<i>8.3</i>	<i>8.0</i>	<i>7.4</i>	<i>6.9</i>
<i>U.S.</i>	<i>7.9</i>	<i>7.9</i>	<i>7.7</i>	<i>7.5</i>	<i>7.5</i>	<i>7.5</i>	<i>7.5</i>	<i>7.3</i>	<i>7.2</i>	<i>7.2</i>	<i>7.2</i>	<i>7.0</i>	<i>6.7</i>

2012 N.C. Numbers Have Been Annually Revised

2012 and 2013 U.S. Numbers Have Been Annually Revised

Since December 2012, Total Nonfarm jobs gained 64,500 with the Total Private sector growing by 64,900 and Government declining by 400. The largest over-the-year increase of major industries was in Professional & Business Services at 22,200, followed by Trade, Transportation & Utilities, 18,800; Leisure & Hospitality Services, 8,800; Education & Health Services, 8,000; Information, 5,300; Financial Activities, 2,700; Other Services, 1,500; and Manufacturing, 1,300. Major industries to experience decreases over the year were Construction, 3,700; and Government, 400. Mining & Logging employment remained flat over the year.

The next unemployment update is scheduled for ***Wednesday, February 5, 2014*** when the county unemployment rates for ***December 2013*** will be released.

— More —

North Carolina Department of Commerce

Labor and Economic Analysis Division

NORTH CAROLINA and U.S. LABOR FORCE DATA

North Carolina data is embargoed until 10:00 A.M., Tuesday January 28, 2014

	December 2013	November 2013	December 2012	Month Ago Numeric Change	Month Ago Percent Change	Year Ago Numeric Change	Year Ago Percent Change
North Carolina <i>(Local Area Unemployment Statistics)</i>							
<i>Smoothed Seasonally Adjusted</i>							
Labor Force	4,656,304	4,658,184	4,767,234	-1,880	> -0.1	-110,930	-2.3
Employed	4,333,615	4,314,398	4,320,201	19,217	0.4	13,414	0.3
Unemployed	322,689	343,786	447,033	-21,097	-6.1	-124,344	-27.8
Unemployment Rate	6.9	7.4	9.4	-0.5	xxx	-2.5	xxx
<i>Not Seasonally Adjusted</i>							
Labor Force	4,620,562	4,670,263	4,731,726	-49,701	-1.1	-111,164	-2.3
Employed	4,315,366	4,347,506	4,286,316	-32,140	-0.7	29,050	0.7
Unemployed	305,196	322,757	445,410	-17,561	-5.4	-140,214	-31.5
Unemployment Rate	6.6	6.9	9.4	-0.3	xxx	-2.8	xxx
United States <i>(Current Population Survey)</i>							
<i>Seasonally Adjusted</i>							
Labor Force	154,937,000	155,284,000	155,485,000	-347,000	-0.2	xxx	xxx
Employed	144,586,000	144,443,000	143,212,000	143,000	0.1	xxx	xxx
Unemployed	10,351,000	10,841,000	12,273,000	-490,000	-4.5	xxx	xxx
Unemployment Rate	6.7	7.0	7.9	-0.3	xxx	xxx	xxx
<i>Not Seasonally Adjusted</i>							
Labor Force	154,408,000	155,046,000	154,904,000	-638,000	-0.4	xxx	xxx
Employed	144,423,000	144,775,000	143,060,000	-352,000	-0.2	xxx	xxx
Unemployed	9,984,000	10,271,000	11,844,000	-287,000	-2.8	xxx	xxx
Unemployment Rate	6.5	6.6	7.6	-0.1	xxx	xxx	xxx

*Effective January 2013, updated US population estimates are used in the national labor force estimates. The annual population adjustments affect the comparability of national labor force estimates over time.

2013 estimates for the current month are preliminary. Estimates for the previous month have undergone monthly revision. 2012 NC estimates--and 2012 and 2013 US estimates--have undergone annual revision.

North Carolina Department of Commerce

Labor and Economic Analysis Division

NORTH CAROLINA EMPLOYMENT DATA

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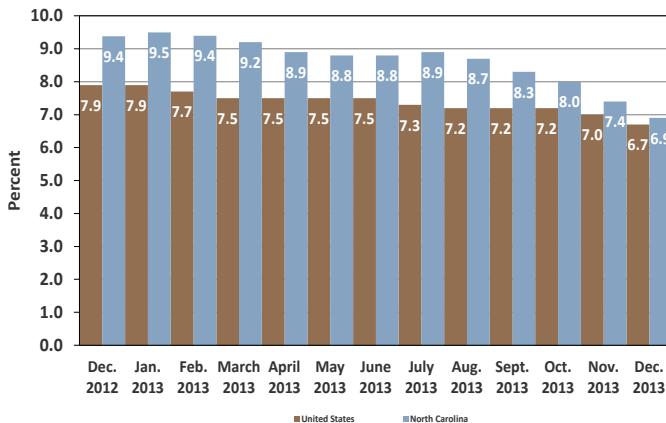
				Month Ago		Year Ago	
				Numeric Change	Percent Change	Numeric Change	Percent Change
December 2013							
November 2013							
December 2012							
North Carolina (Current Employment Statistics)							
Seasonally Adjusted							
Total Nonfarm	4,096,800	4,085,700	4,032,300	11,100	0.3	64,500	1.6
Total Private	3,382,500	3,371,900	3,317,600	10,600	0.3	64,900	2.0
Mining & Logging	5,500	5,400	5,500	100.0	1.9	0	0.0
Construction	166,400	166,900	170,100	-500	-0.3	-3,700	-2.2
Manufacturing	444,200	443,500	442,900	700	0.2	1,300	0.3
Trade, Transportation & Utilities	774,400	769,900	755,600	4,500	0.6	18,800	2.5
Information	74,700	74,400	69,400	300	0.4	5,300	7.6
Financial Activities	206,700	204,800	204,000	1,900	0.9	2,700	1.3
Professional & Business Services	565,000	565,200	542,800	-200	<0.1	22,200	4.1
Education & Health Services	565,600	564,100	557,600	1,500	0.3	8,000	1.4
Leisure & Hospitality Services	435,500	435,300	426,700	200	<0.1	8,800	2.1
Other Services	144,500	142,400	143,000	2,100	1.5	1,500	1.0
Government	714,300	713,800	714,700	500	0.1	-400	-0.1
North Carolina (Current Employment Statistics)							
Not Seasonally Adjusted							
Total Nonfarm	4,120,600	4,123,000	4,054,600	-2,400	-0.1	66,000	1.6
Total Private	3,390,800	3,388,700	3,324,400	2,100	0.1	66,400	2.0
Mining & Logging	5,400	5,400	5,400	0.0	0.0	0	0.0
Construction	167,400	170,300	170,800	-2,900	-1.7	-3,400	-2.0
Manufacturing	445,800	445,400	444,400	400	0.1	1,400	0.3
Trade, Transportation & Utilities	789,500	781,400	770,400	8,100	1.0	19,100	2.5
Information	75,500	74,700	70,100	800	1.1	5,400	7.7
Financial Activities	205,800	204,400	203,200	1,400	0.7	2,600	1.3
Professional & Business Services	563,400	566,200	541,200	-2,800	-0.5	22,200	4.1
Education & Health Services	569,800	568,700	561,600	1,100	0.2	8,200	1.5
Leisure & Hospitality Services	424,600	429,900	415,200	-5,300	-1.2	9,400	2.3
Other Services	143,600	142,300	142,100	1,300	0.9	1,500	1.1
Government	729,800	734,300	730,200	-4,500	-0.6	-400	-0.1
Mfg. Production Workers (PW) Not Seasonally Adjusted							
Mfg. PW Average Hourly Earnings	\$16.97	\$16.74	\$16.66				
Mfg. PW Hours Worked	42.8	42.5	41.6				

All 2013 Labor Force and CES data for the current month are preliminary.
All 2012 Labor Force and CES estimates have been benchmarked.
Estimates may not add to totals due to rounding.

North Carolina Labor Market Conditions

December
2013*

United States/North Carolina Unemployment Rates
December 2012-December 2013
(Smoothed Seasonally Adjusted**)



The North Carolina smoothed seasonally adjusted unemployment rate was 6.9 percent in December, decreasing 0.5 of a percentage point from the previous month, and falling 2.5 percentage points from December 2012. Over the month, the number of persons unemployed fell by 21,097 (6.1%). The civilian labor force declined by 1,880 (>-0.1%) to 4,656,304.

Nationally, December's unemployment rate was 6.7 percent. The number of persons unemployed was 10,351,000, while the civilian labor force was 154,937,000.

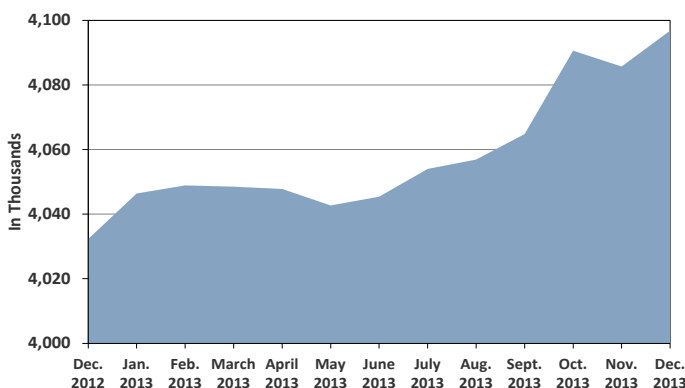
Seasonally adjusted Total Nonfarm industry employment (4,096,800) has increased 11,100 (0.3%) since November 2013, and 64,500 (1.6%) since December 2012. Private sector employment grew over the month by 10,600 (0.3%) and 64,900 (2.0%) over the year.

It is important to note that industry employment estimates are subject to large seasonal patterns. Seasonal adjustment factors are applied to the data. However, these factors may not be fully capturing the seasonal trend. Therefore, when interpreting the changes in industry employment, it is advisable to focus on over-the-year changes in both the seasonally adjusted and not seasonally adjusted series.

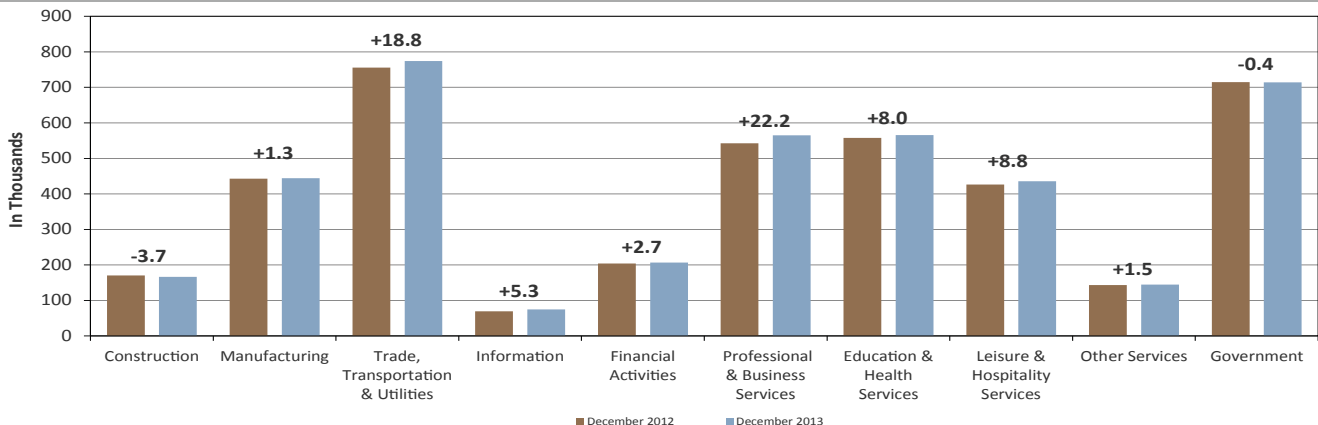
Of the major industries for which payroll data are seasonally adjusted, Trade, Transportation & Utilities had the largest over-the-month gain in jobs (4,500; 0.6%), followed by Other Services (2,100; 1.5%), Financial Activities (1,900; 0.9%), Education & Health Services (1,500; 0.3%), Manufacturing (700; 0.2%), Government (500; 0.1%), Information (300; 0.4%), Leisure & Hospitality (200; <0.1%) and Mining & Logging (100; 1.9%). Construction (500; 0.3%) had the largest over-the-month decrease, followed by Professional & Business Services (200; >-0.1%).

Since December 2012, Professional & Business Services added the largest number of jobs (22,200; 4.1%), followed by Trade, Transportation & Utilities (18,800; 2.5%), Leisure & Hospitality (8,800; 2.1%) and Education & Health Services (8,000; 1.4%).

North Carolina Total Nonfarm Employment
December 2012-December 2013
(Seasonally Adjusted)



Changes in Employment by NAICS Industries
December 2012 Compared to December 2013
(Seasonally Adjusted)



*NC current month data are preliminary. Other 2013 data are revised, while 2012 data have undergone annual processing.

North Carolina Labor Market Conditions

The December 2013 not seasonally adjusted Total Nonfarm employment level of 4,120,600 was 2,400 (0.1%) lower than the November 2013 revised employment level of 4,123,000. Among the major industries in North Carolina, Trade, Transportation & Utilities had the largest over-the-month increase in employment at 8,100 (1.0%), followed by Financial Activities (1,400; 0.7%), Other Services (1,300; 0.9%), Education & Health Services (1,100; 0.2%), Information (800; 1.1%) and Manufacturing (400; 0.1%). Leisure & Hospitality (5,300; 1.2%) had the largest over-the-month decrease, followed by Government (4,500; 0.6%), Construction (2,900; 1.7%) and Professional & Business Services (2,800; 0.5%). Mining & Logging reported no change over the month.

Over the year, the Service Providing sector (all industries except Mining & Logging, Construction, and Manufacturing) showed an increase of 68,000 (2.0%) jobs. Professional & Business Services experienced the largest employment increase with 22,200 (4.1%), followed by Trade, Transportation & Utilities (19,100; 2.5%), Leisure & Hospitality (9,400; 2.3%), Education & Health Services (8,200; 1.5%), Information (5,400; 7.7%), Financial Activities (2,600; 1.3%) and Other Services (1,500; 1.1%). Government (400; 0.1%) had the only over-the-year decrease.

The Goods Producing sector decreased by 2,000 (0.3%) jobs over the year. Construction declined by 3,400 (2.0%), while Manufacturing grew by 1,400 (0.3%). Mining & Logging reported no change.

Food had the largest amount of manufacturing employment with 52,500 in December 2013. Chemical had the largest net over-the-year increase at 1,800. Other manufacturing industries with over-the-year gains were: Furniture & Related Product, 900; Wood Product, 600; Machinery, 500; Food, 400; Transportation Equipment, 400; and Plastics & Rubber Product, 300.

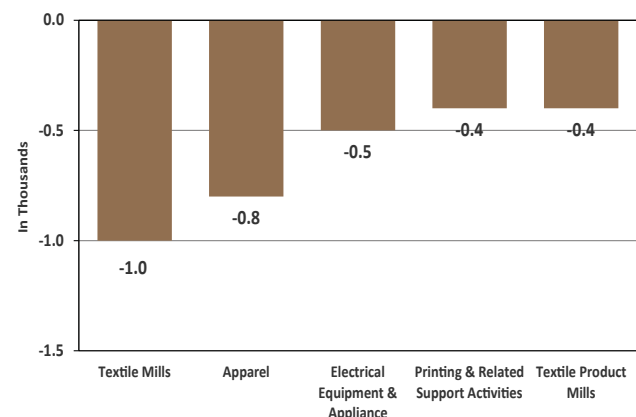
Average Weekly Hours for manufacturing production workers in December increased 18 minutes from November's revised rate of 42.5. Average Hourly Earnings increased by \$0.23 to \$16.97, as Average Weekly Earnings grew by \$14.87 to \$726.32.

Regular Initial Claims for Unemployment Insurance (UI) totaled 33,157 in December, increasing 6,884 from November. Less than 1 percent (0.5%) of Initial Claims for December 2013 were "attached" to a payroll, meaning that employees expect to be recalled to their jobs.

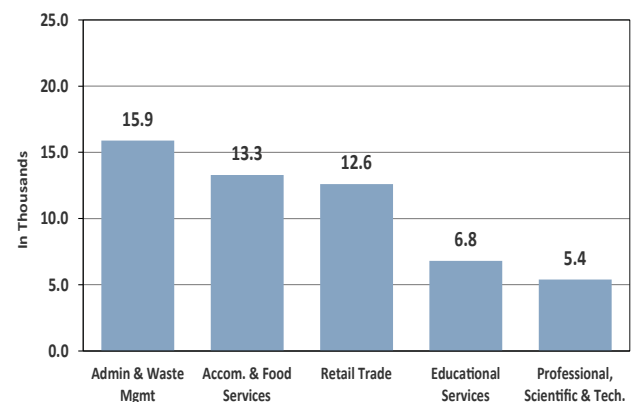
A total of \$59,121,814 in regular UI benefits was paid in December to 60,889 claimants statewide — an increase of 2,457 claimants since November 2013.

For the 12-month period ending December 2013, \$1,648,989,125 was paid from all programs, both state and federal. The UI Trust Fund balance at the end of December was in the red (\$1,829,007,705). The State Reserve Fund balance was \$6,410,267.

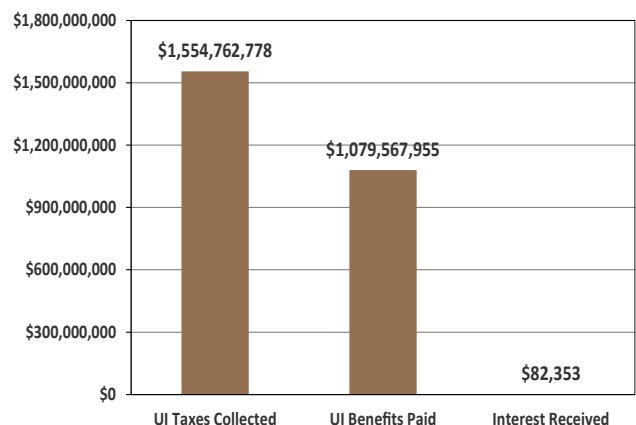
Selected Manufacturing Industries With Job Losses
December 2012-December 2013
(Not Seasonally Adjusted)



Selected Service Industries With Job Gains
December 2012-December 2013
(Not Seasonally Adjusted)



UI Taxes Collected and NC Regular UI Benefits Paid
December 2012-December 2013



— Technical Notes —

This release presents labor force and unemployment estimates from the Local Area Unemployment Statistics (LAUS) program. Also presented are nonfarm payroll employment estimates the Current Employment Statistics (CES) program. The LAUS and CES programs are both federal-state cooperative endeavors.

Labor force and unemployment--from the LAUS program

Definitions. The labor force and unemployment estimates are based on the same concepts and definitions as those used for the official national estimates obtained from the Current Population Survey (CPS), a sample survey of households that is conducted for the Bureau of Labor Statistics (BLS) by the U.S. Census Bureau. The LAUS program measures employment and unemployment on a place-of-residence basis. The universe for each is the civilian noninstitutional population 16 years of age and over. Employed persons are those who did any work at all for pay or profit in the reference week (the week including the 12th of the month) or worked 15 hours or more without pay in a family business or farm, plus those not working who had a job from which they were temporarily absent, whether or not paid, for such reasons as bad weather, labor-management dispute, illness, or vacation. Unemployed persons are those who were not employed during the reference week (based on the definition above), had actively looked for a job sometime in the 4-week period ending with the reference week, and were currently available for work; persons on lay-off expecting recall need not be looking for work to be counted as unemployed. The labor force is the sum of employed and unemployed persons. The unemployment rate is the number of unemployed as a percent of the labor force.

Method of estimation. Statewide estimates are produced using an estimation algorithm administered by the BLS. This method, which underwent substantial enhancement at the beginning of 2005, utilizes data from several sources, including the CPS, the CES, and state unemployment insurance (UI) programs. Each month, census division estimates are controlled to national totals, and state estimates are then controlled to their respective division totals. Substate estimates are controlled to their respective state totals. For more information about LAUS estimation procedures, see the BLS website at www.bls.gov/lau/laumthd.htm

Revisions. Labor force and unemployment data for the previous month reflect adjustments made in each subsequent month, while data for prior years reflect adjustments made at the end of each year. The monthly revisions incorporate updated model inputs, while the annually revised estimates reflect updated population data from the U.S. Census Bureau, any revisions in the other data sources, and model reestimation. In most years, historical data for the most recent five years (both seasonally adjusted and not seasonally adjusted) are revised near the beginning of each calendar year, prior to the release of January estimates.

Seasonal adjustment. The LAUS program introduced smoothed seasonally adjusted (SSA) estimates in January 2010. These are seasonally-adjusted data that have incorporated a long-run trend smoothing procedure, resulting in estimates that are less volatile than those previously produced. The estimates are smoothed using a filtering procedure, based on moving averages, to remove the irregular fluctuations from the seasonally-adjusted series, leaving the trend. The same process is used on both historical and current year estimates. For more information about the smoothing technique, see the BLS website at www.bls.gov/lau/lassaqa.htm.

Area definitions. The substate area data published in this release reflect the standards and definitions established by the U.S. Office of Management and Budget on December 1, 2009. A detailed list of the geographic definitions is available online at www.bls.gov/lau/lausmsa.htm.

Employment--from the CES program

Definitions. Employment data refer to persons on establishment payrolls who receive pay for any part of the pay period that includes the 12th of the month. Persons are counted at their place of work rather than at their place of residence; those appearing on more than one payroll are counted on each payroll. Industries are classified on the basis of their

principal activity in accordance with the 2012 version of the North American Industry Classification System.

Method of estimation. CES State and Area employment data are produced using several estimation procedures. Where possible these data are produced using a “weighted link relative” estimation technique in which a ratio of current-month weighted employment to that of the previous-month weighted employment is computed from a sample of establishments reporting for both months. The estimates of employment for the current month are then obtained by multiplying these ratios by the previous month’s employment estimates. The weighted link relative technique is utilized for data series where the sample size meets certain statistical criteria.

For some employment series, relatively small sample sizes limit the reliability of the weighted link-relative estimates. In these cases, BLS uses the CES small domain model (SDM) to generate employment estimates. The SDM combines the direct sample estimates (described above) and forecasts of historical (benchmarked) data to decrease the volatility of the estimates. For more detailed information about the CES small domain model, refer to the BLS Handbook of Methods.

Annual revisions. Employment estimates are adjusted annually to a complete count of jobs, called benchmarks, derived principally from tax reports that are submitted by employers who are covered under state unemployment insurance (UI) laws. The benchmark information is used to adjust the monthly estimates between the new benchmark and the preceding one and also to establish the level of employment for the new benchmark month. Thus, the benchmarking process establishes the level of employment, and the sample is used to measure the month-to-month changes in the level for the subsequent months.

Seasonal adjustment. Payroll employment data are seasonally adjusted at the statewide supersector level. In some states, the seasonally adjusted payroll employment total is computed by aggregating the independently adjusted supersector series. In other states, the seasonally adjusted payroll employment total is independently adjusted. Revisions of historical data for the most recent 5 years are made once a year, coincident with annual benchmark adjustments.

Reliability of the estimates

The estimates presented in this release are based on sample surveys, administrative data, and modeling and, thus, are subject to sampling and other types of errors. Sampling error is a measure of sampling variability--that is, variation that occurs by chance because a sample rather than the entire population is surveyed. Survey data also are subject to nonsampling errors, such as those which can be introduced into the data collection and processing operations. Estimates not directly derived from sample surveys are subject to additional errors resulting from the specific estimation processes used. Model-based error measures for seasonally adjusted and not seasonally adjusted data and for over-the-month and over-the-year changes to LAUS estimates are available online at www.bls.gov/lau/lastderr.htm. Measures of sampling error for state CES data at the total nonfarm and supersector levels are available online at www.bls.gov/sae/790stderr.htm.

Release Dates

The next unemployment update is scheduled for Wednesday, February 5, 2014 when the county unemployment rates for December 2013 will be released.

The complete 2014 data release schedule can be accessed at:

http://www.nccommerce.com/Portals/47/Documents/2014_NC_Release_Dates.pdf